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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

October 16, 1995

RECEIVED
OCT 18 1995

OIL CON. DIV.
DIST. 3

Amoco Production Company
Southern Rockies Business Unit
P.O. Box 800
Denver, Colorado 80201

Attention: J. W. Hawkins

Administrative Order NSL-3580

D-2-27-10

Dear Mr. Hawkins:

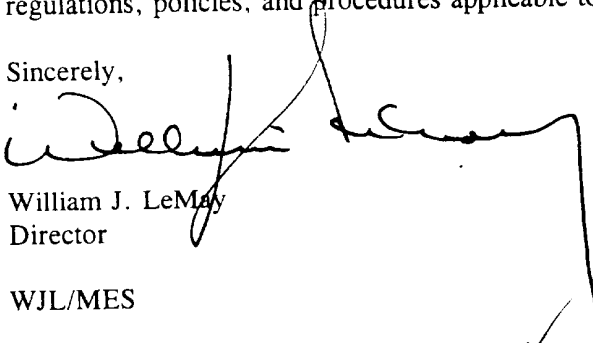
Reference is made to your application dated September 26, 1995, for a non-standard Basin-Dakota infill gas well location in an existing standard 322.64-acre gas spacing and proration unit ("GPU") for said Basin-Dakota Pool comprising Lots 1 through 4 and the S/2 N/2 (N/2 equivalent) of Section 2, Township 27 North, Range 10 West, NMPM, San Juan County, New Mexico, which currently has dedicated thereon the Aztec Gas Com Well No. 1 (API No. 30-045-06906), located at a standard gas well location 1190 feet from the North line and 990 feet from the West line (Lot 4/Unit D) of said Section 2.

By authority granted me under the provisions of Rule 2(c) of "General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations For The Basin- Dakota Pool", as promulgated by Division Order No. R-8170, as amended, the following described well to be drilled at an unorthodox gas well location is hereby approved:

**Aztec Gas Com Well No. 1-E
550' FNL - 1730' FEL (Lot 2/Unit B)**

Further, Amoco is authorized to dedicate Basin-Dakota gas production on the subject GPU from both the Aztec Gas Com Well Nos. 1 and 1-E. Said wells and GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest New Mexico.

Sincerely,


William J. LeMay
Director

WJL/MES

cc: Oil Conservation Division - Aztec
U. S. BLM - Farmington



Southern

Rockies

Business

Unit

September 26, 1995

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P.O. Box 2088
Santa Fe, NM 87504

Application For Unorthodox Location
Aztec Gas Com Well #1E
550' FNL 1730' FEL, Section 2-T27N-R10W
Basin Dakota Pool
San Juan County, New Mexico

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SEP 28 1995

OIL CON. DIV.
DIST. 3

Amoco Production Company hereby requests administrative approval for an unorthodox well location for the Aztec Gas Com Well #1E in the Basin Dakota Pool. The location of the well is 550' FNL and 1730' FEL, Section 2-T27N-R10W. This unorthodox well location is necessary due to the topographic conditions in the Armenta Canyon area.

Amoco is the only affected offset operator and no additional notice of this application is required. Attached are plats showing the location of the well, topography, and the other Basin Dakota wells and offset operators in the area. If you have any questions regarding this application, please contact me at (303) 830-5072.

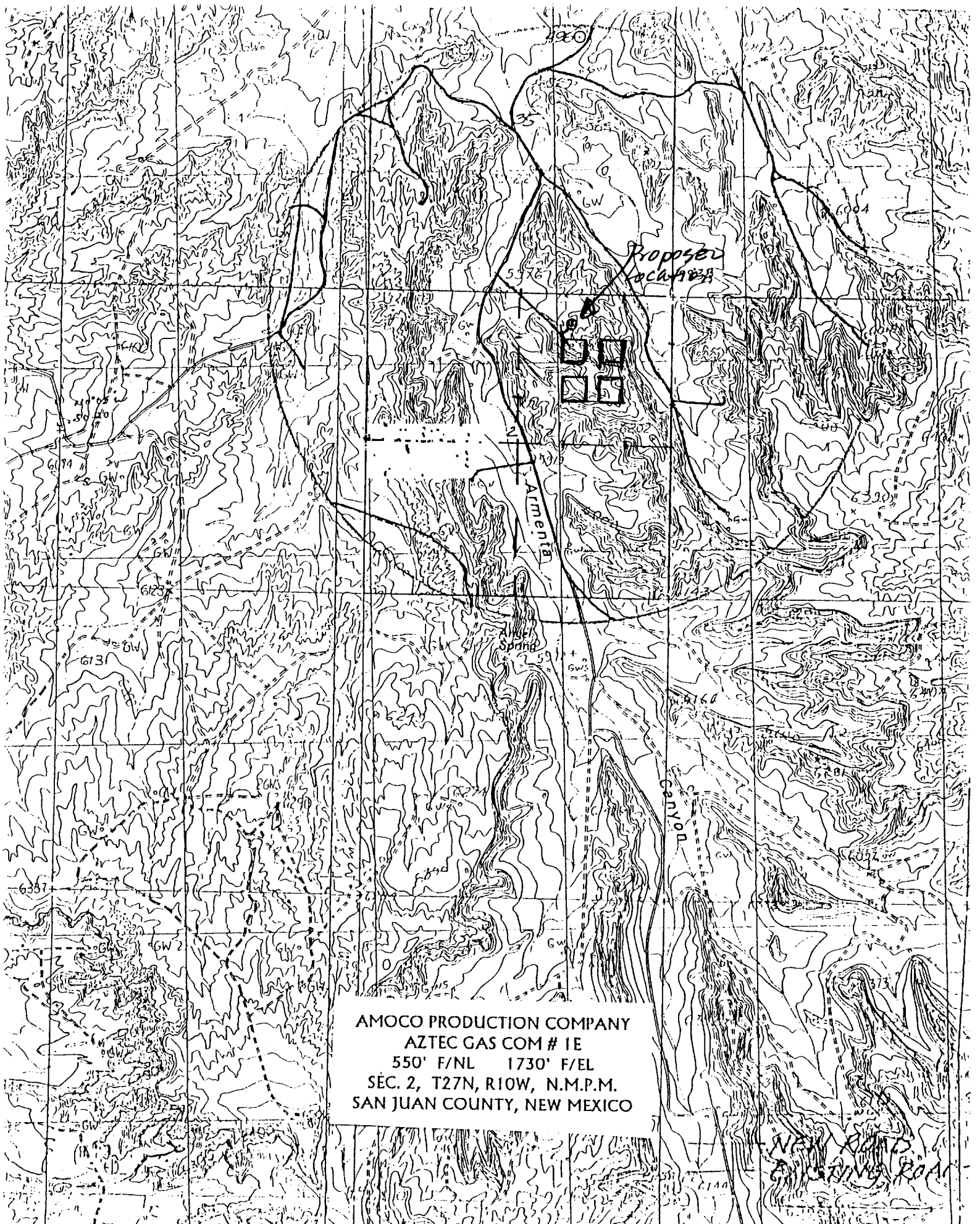
Sincerely,

J. W. Hawkins

Attachments

cc: Gail Jefferson

Frank Chavez, Supervisor
NMOCD District III
1000 Rio Brazos Road
Aztec, NM 87410



AMOCO PRODUCTION COMPANY
AZTEC GAS COM # 1E
550' F/NL 1730' F/EL
SEC. 2, T27N, R10W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO

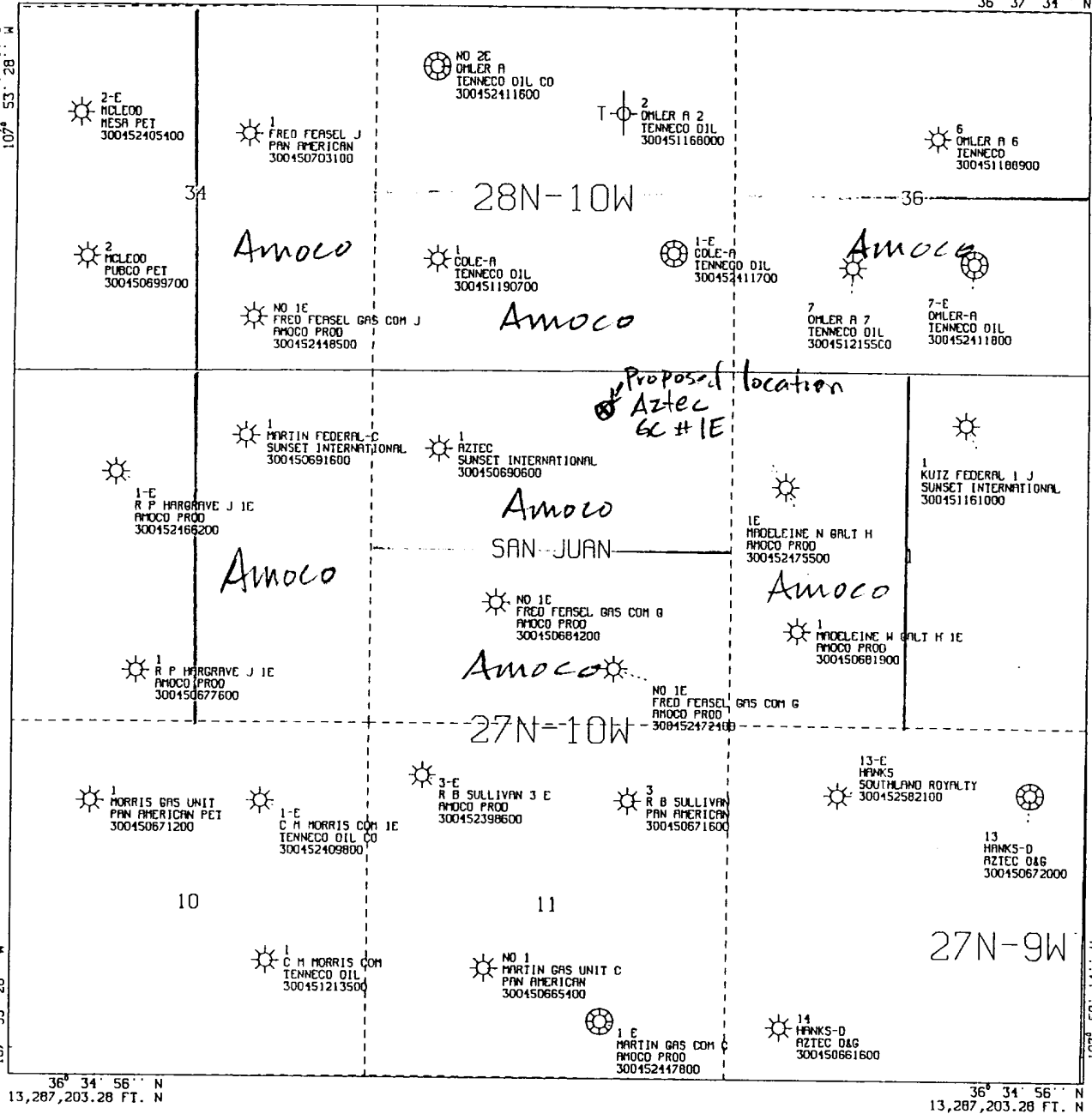
NEW STATE
CANYON ROAD

13,303,211.27 FT. N
36° 37' 34" N

13,303,211.27 FT. N
36° 37' 34" N

992,089.71 FT. E
107° 53' 28" W

1,007,910.29 FT. E
107° 50' 14" W



All geological and geophysical data, including the interpretation thereof, appearing on this map is the private and confidential property of Amoco Production Company. The publication or reproduction thereof without the written permission of said Company is strictly prohibited.

POLYCONIC CENTRAL MERIDIAN - 107° 51' 51" W LON SPHEROID - 6

AMOCO PRODUCTION COMPANY
 PLAT MAP
 Aztec Gas Com 1E
 Dakota Formation
 550' FNL & 1730' FEL, Sec 2, T27N-R10W
 SCALE 1 IN. = 2,000 FT. SEP 19, 1995

HORIZONTAL DATUM NAD27

PLOT 1 09.45.18 TUES 19 SEP, 1995 JOB-P0816202, ISSCO D155PLA 10.0

D4508162--RUN=95262092900